

## REMARKS

In this Amendment, Applicant has amended claims 10, 12, and 13 to overcome the informalities involving the use of reference numerals in these claims noted by the Examiner. Claims 1-6, 8 and 9, have also been amended to remove the reference numerals. Other claim amendments have been made to conform the claims to conventional U.S. patent practice and to otherwise improve form. These amendments contain no new matter, in conformance to the requirements of 37 C.F.R. § 1.121(f). Upon entry of this amendment, claims 1 - 13 remain pending and under current examination.

### Regarding the Office Action:

Initially, in the Office Action, the Examiner acknowledged Applicant's claim for priority but noted that a certified copy of the foreign application upon which priority is based was not filed. Accordingly, a certified copy of Swedish Patent Application No. 9900119-0, filed January 18, 1999 is being filed herewith to complete the priority claim. The Examiner is requested to acknowledge receipt of the certified copy in the next paper.

The Examiner has also required an Abstract which is submitted herewith.

In the Office Action, the Examiner rejected claims 8 - 13 under 35 U.S.C. § 102(b) as anticipated by Lagarde (U.S. Patent No. 4,350,883); and rejected claims 1-7 under 35 U.S.C. § 103(a) as unpatentable over Lagarde in view of Humphrey (U.S. Patent No. 4,660,025).

Applicant respectfully traverses the rejections, as detailed above, for the following reasons.

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Regarding the Rejection of Claims 8 - 13 under 35 U.S.C. § 102(b):

Applicant respectfully traverses the rejection of claims 8 - 13 under 35 U.S.C. § 102(b) as anticipated by Lagarde.

In order to properly establish that Lagarde anticipates Applicant's claimed invention under 35 U.S.C. § 102, each and every element of each of the claims in issue must be found, either expressly described or under principles of inherency, in that single reference. Furthermore, "[t]he identical invention must be shown in as complete detail as is contained in the ... claim." See M.P.E.P. § 2131, quoting *Richardson v. Suzuki Motor Co.*, 868 F.2d 1126, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989).

Regarding the 35 U.S.C. § 102(b) rejection, Lagarde does not teach each and every element of Applicant's present invention as claimed, which will be demonstrated below.

Lagarde is directed to a method of marking and of identifying objects marked by electrically conducting elements. The conducting elements are one or more metallic wires selected from a predetermined range of specimens each having different electric conductivities. A code value is attributed to each specimen and is obtained by subjecting each of the regions of the object containing a wire to an electromagnetic field with each response being measured. Each response is characteristic of one specimen and of one code value. The complete code for the object consists of the succession of code values detected for each wire.

An object to be identified is subjected to an alternating electromagnetic field which induces a current in each of the elements. The radiation component resulting from each of the elements carrying a current induced by the field is detected, and each

of the responses is recorded and a visual identification of the radiation components is provided to thereby identify the object.

Claim 8 recites an article identification tag comprising a plurality of electrically conductive members wherein each of the electrically conductive members has a unique predetermined diameter.

Contrary to the Examiner's allegations, Legarde does not disclose an element having a specific *diameter* being used for detection. Legarde only teaches different elements each having the same diameter (see Legarde, col. 2, lines 24-25). More specifically, Legarde discloses that the identification information is coded in the conductive member (wires) by means of material variations. There is no teaching in Lagarde that the diameter of the conductive member has any role in the identification process. Furthermore, Lagarde discloses a plurality of identification elements marking a single object, the identification elements all having the same diameter.

Since Lagarde does not disclose each and every element of Applicant's independent claim 8, Lagarde does not anticipate Applicant's claimed invention. In addition to Lagarde not anticipating the present invention, Lagarde does not disclose an identical invention, let alone in as complete detail as contained in Applicant's independent claim 8. Applicant submits that the Examiner has not met these essential requirements of anticipation for a proper 35 U.S.C. § 102(b) rejection and therefore, independent claim 8 is allowable, for the reasons argued above. In addition, dependent claims 9-13 are also allowable at least by virtue of their dependency from allowable base claim 8. Therefore, Applicant respectfully submits that the improper 35 U.S.C. § 102(b) rejection of claims 8-13 should be withdrawn.

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Regarding the Rejection of Claims 1-7 under 35 U.S.C. § 103(a):

Applicant respectfully traverses the rejection of claims 1-7 under 35 U.S.C. § 103(a) as unpatentable over Lagarde in view of Humphrey. Applicant respectfully disagrees with the Examiner's arguments and conclusions, and submit that a *prima facie* case of obviousness has not been established.

In order to establish a *prima facie* case of obviousness, three basic criteria must be met. First, the prior art reference (or references when combined) must teach or suggest all the claim elements. Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Third, there must be a reasonable expectation of success. See M.P.E.P. § 2143.

Applicant's claim 1 recites a method of detecting an article identification tag having at least one electrically conductive member, wherein, for each of said at least one member, an alternating electric current is caused to flow through said member, a frequency of the alternating electric current is varied, and a corresponding *variation in impedance of said member is monitored*, further comprising the steps of *detecting a discontinuity in said variation in impedance; and detecting the frequency of the alternating electric current at which said discontinuity appears*. (emphasis added.)

The Examiner acknowledges that Lagarde "is silent about detecting a discontinuity in variation in impedance in [an electrically conductive] member." The Examiner attempts to overcome this deficiency in Lagarde by relying on Humphrey. The Examiner alleges that Humphrey obviously suggests the "steps of detecting [a]

discontinuity in variation in impedance since there is a proportional relationship between the impedance and permeability, resistivity of [a] conductive member and frequency."

The Examiner further alleges that "it would have been obvious to ... employ the steps of identifying, detecting, and comparing magnetic polarization with a predetermined threshold value of a marker having identifiable discontinuity in addition to the object identifier of Lagarde due to the fact that the same object can be achieved using different techniques. Both techniques successfully identify objects in accordance with the change in electrical properties and/or magnetic properties of electrically conductive materials. Furthermore, such functionally equivalent modification would have been an obvious matter of design variation, well within the ordinary skill in the art, and therefore an obvious expedient. " (Office Action, p. 5.)

Applicant respectfully deems that Humphrey is not at all relevant because Humphrey is directed towards an element which is detected by means of Barkhausen discontinuities in the magnet hysteresis of an identification element. Humphrey is not related to the invention as claimed, which utilizes the impedance properties of a conductive member and detects a discontinuity in the variation of impedance as the frequency of an applied alternating electric current is varied. In fact, Humphrey is silent regarding the measurement of impedance. Thus, Humphrey does not teach or suggest at least varying the frequency of a current flowing through an electrically conductive member for detecting a discontinuity in the independence of said member.

Applicant disagrees with the Examiner's allegations and conclusions as an unsubstantiated statement of questionable relevance to Applicant's claimed invention. Applicant further refers the Examiner to the February 21, 2002 Memorandum from

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USPTO Deputy Commissioner for Patent Examination Policy, Stephen G. Kunin, regarding "Procedures for Relying on Facts Which are Not of Record as Common Knowledge or for Taking Official Notice." In relevant part, the Memorandum states, "If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding" (Memorandum, p. 3). Further, the Memorandum indicates that the Federal Circuit has "criticized the USPTO's reliance on 'basic knowledge' or 'common sense' to support an obviousness rejection, where there was no evidentiary support in the record for such a finding." *Id.* at 1. Applicant submits that "[d]eficiencies of the cited references cannot be remedied by the Board's general conclusions about what is 'basic knowledge' or 'common sense.'" *In re Lee*, 61 USPQ2d 1430, 1432-1433 (Fed. Cir. 2002), quoting *In re Zurko*, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001). Should the Examiner maintain the rejection after considering the arguments presented herein, Applicants submit that the Examiner must provide "the explicit basis on which the examiner regards the matter as subject to official notice and [allow Applicants] to challenge the assertion in the next reply after the Office action in which the common knowledge statement was made" (*Id.* at 3, emphasis in original), or else withdraw the rejection.

In particular, the Examiner has not supplied any factual support for the allegation that "there is a proportional relationship between the impedance and permeability, resistivity of [a] conductive member and frequency" nor for the unsupported conclusion "that [a] functionally equivalent modification would have been an obvious matter of design variation, well within the ordinary skill in the art, and therefore an obvious

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expedient."

Therefore, at least because Lagarde and Humphrey, either taken alone or in combination, fail to teach or suggest each and every element of claim 8, the Examiner has failed to establish a *prima facie* case of obviousness for claim 8. Accordingly, the rejection of claim 8 is improper under 35 U.S.C. § 103(a), and Applicant respectfully requests the Examiner to withdraw the rejection of claim 8 and the claim allowed.

The Examiner does not show that all the elements of Applicant's claims are met in the cited reference, does not show that there is any suggestion or motivation to modify the cited reference to result in the claimed invention, and does not show there would be any reasonable expectation of success from so doing.

The Manual of Patent Examining Procedure specifically states that if the "proposed modification would render the prior art unsatisfactory for its intended purpose" or "change a principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious." M.P.E.P. § 2143.01 at 112-13). Accordingly, it is only through hindsight afforded by Applicant's own disclosure that the Examiner can even assert that the applied references suggest the claimed invention. Such hindsight determinations are impermissible under 35 U.S.C. § 103(a).

Applicant has already demonstrated in the previous section that Lagarde does not teach or suggest all the elements of Applicant's independent claim 8. The Examiner's suggestion to combine Lagarde with Humphrey does not cure the deficiencies of Lagarde that were previously pointed out by Applicant (and admitted by the Examiner). As such, Lagarde, taken alone or in combination with Humphrey, still do

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not teach or suggest at least the elements of Applicant's independent claim 1 quoted in the previous section.

The Examiner has therefore not met at least one of the essential criteria for establishing a prima facie case of obviousness, wherein "the prior art reference (or references when combined) must teach or suggest all the claim limitations." See M.P.E.P. §§ 2142, 2143, and 2143.03.

Finally, "[i]f an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious." M.P.E.P. § 2143.03. Thus, dependent claims 9-13 are allowable for the reasons presented herein, in addition to being allowable at least by virtue of their dependence from allowable base claim 8. Therefore, Applicant respectfully submits that the Examiner should withdraw the improper 35 U.S.C. § 103(a) rejection.

Conclusion:

In view of the foregoing, Applicant requests reconsideration of the application and submit that the objection and rejections detailed above should be withdrawn. This Amendment should allow for immediate and favorable action by the Examiner. Applicant submits that pending claims 1 - 13 are in condition for allowance, and request a favorable action.

Should the Examiner continue to dispute the patentability of the claims after consideration of this Amendment, Applicant encourages the Examiner to contact Applicant's undersigned representative by telephone to discuss any remaining issues or to resolve any misunderstandings. Applicant's undersigned representative would welcome the opportunity to discuss the merits of the present invention with the

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Examiner if telephone communication will aid in advancing prosecution of the present application.

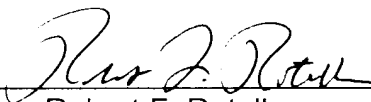
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Please grant any extensions of time under 37 C.F.R. § 1.136 required in entering this response. If there are any fees due under 37 C.F.R. § 1.16 or 1.17 including any fees required for an extension of time under 37 C.F.R. § 1.136, please charge such fees to our deposit account 06-0916.

Respectfully submitted,

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By:   
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